GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Industries & Commerce Department – Proposal of M/s. Tata Consultancy Services (TCS) for establishment of a Delivery Centre in Millenium Tower (A&B) of APIIC in Visakhapatnam to develop the facility to setup for 2,000+ seats Development Centre in calendar year 2025- Approval to APIIC to allot the space on concessional rent basis along with certain other concessionsto the firm, as per the Tailor-made Incentives provision of AP IDP 4.0 (2024-29)– Orders - Issued.

INDUSTRIES & COMMERCE (P&I) DEPARTMENT

G.O.MS.No.3 Dated:03.01.2025

Read the following:

1. G.O.Ms. No. 81 Industries& Commerce (P&I) Department dt:30.11.2024.
2. Proposal of M/s. Tata Consultancy Services (TCS)
3. Minutes of the 4th meeting of State Investment Promotion Committee (SIPC) held on 29.12.2024.
4. Minutes of the 2nd meeting of State Investment Promotion Board (SIPB) held on 30.12.2024.

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ORDER:

In the reference 1st read above orders have been issued according sanction to the following special package to M/s. Dallas Technology Centre LLP.

a. Approval to APIIC to allow M/s Dallas Technology Center LLP to sub-lease the premises to M/s TCS only, without additional cost to APIIC, subject to payment of EOT fees by M/s Dallas technology Center, till the DPR conditionality on employment is achieved through this sub-lease agreement and TCS / original allottees continue to run the facility as per norms of the allotment, and in any case not less than 10 years for continued employment in the premises.

b. The request of the APIIC lands for setback purposes as per MAUD norms, has been considered for allotment @ INR 10,000 per Sqm

c. The Municipal Administration & Urban Development Department to facilitate for issuance of the Occupancy Certificate as per the requirement of M/s TCS, and as per norms

2. In the reference 2nd read above, M/s. Tata Consultancy Services (TCS) have informed that M/s TCS deemed it necessary to explore

alternative options for built-up space in Vishakhapatnam that have already received necessary environmental clearances or establishment of a Delivery Centre, as part of its growth plan in Andhra Pradesh and accordingly, proposed to set up the said centre at Millennium Towers– A&B - in IT Hill No 3 Visakhapatnam with aninvestment of approx. INR 80 crores in the next 12-18 months and an employment opportunity for over 2000.

3. Further, M/s TCS submitted their standard terms and conditions along with a detailed scope matrix to outline the requirements for establishing their proposed unit within the Towers, which encompassed a comprehensive list of existing components and facilities, including but not limited to: Electrical, Civil, Mechanical, HVAC, Fire Protection, Plumbing, Sewage Treatment Plant (STP), Water Treatment, Drinking Water Systems, Integrated Building ancillary services. On 21.12.2024, M/s TCS submitted its detailed proposal for establishment of a Delivery Centre in Millenium Tower (A&B) in Visakhapatnam to develop the facility to setup for 2,000+ seats Development Centre in calendar year 2025.

4. Accordingly, the proposal from APIIC was placed before the State Investment Promotion Board (SIPB) meeting held on 30.12.2024 with recommendations of State Investment Promotion Committee (SIPC) in its meeting held on 29.12.2024. The SIPB after detailed discussion, has recommended to extend certain special package of incentives to M/s. Tata Consultancy Services (TCS) duly recommending to rescind the G.O. in the reference 1st read above.

5. Government, after careful consideration of the decision of the State Investment Promotion Board, hereby approve to extend the following incentives to M/s. Tata Consultancy Services (TCS), under Tailor-made Incentives provision of AP IDP 4.0 (2024-29) (Clause 8.3)..

a. Approval of permission to APIIC for lease allotment of ~2,08,280 sqft to M/s Tata Consultancy Services in Millenium Tower A & B of APIIC as per requests of M/s TCS on the rental rate and CAM, escalation percentage, the provision of recovery of the cost incurred towards works executed by TCS from rentals, etc (given at Annexure)

b. Approval for rescinding the previous G.O. issued to M/s Dallas Technology Centre LLP for subleasing its premise to M/s TCS (G.O Ms No, 81, I&C dept. dated 30.11.2024),as M/s TCS has now opted to lease APIIC buildings for their operations.

6. The incentives shall be made applicable subject to company adhering to the definite time lines for implementation of the project and investment and employment commitment from the company as per the proposal submitted.

7. The Special Chief Secretary/Principal Secretary/Secretary of the concerned departments such as Power, Water Resources Department, Industry and Commerce (CIP), Skill Development Department, Revenue (Land, Registration and Stamps), Finance Department and other departments concerned are requested to take further necessary action accordingly, duly instructing their HODs and PSUs under them for expeditious grounding and implementation of the project.

8. The Vice Chairman & Managing Directing, Andhra Pradesh Industrial Infrastructure Corporation Limited, Mangalagiri and the Director of Industries, Andhra Pradesh shall take further necessary action accordingly in coordination with the line Departments.

9. As envisaged under the Andhra Pradesh Industrial Development Policy (4.0) 2024-29, the Director of Industries shall assign the handholding for facilitations of all the inputs as required for expeditious grounding and implementation of this project to a senior level officer and should try to ensure that the project is implemented as per the expected timelines, duly facilitating the required approvals and clearances under the Single Desk Portal 2.0 and duly implementing the project as per the intended spirit of the Speed of Doing Business.

10. The Director of Industries, A.P., Mangalagiri should ensure that the PMU with the Department monitors the progress of the project, duly bringing the issues that are to be resolved, to the respective line departments, from time to time and resolve the issues and intimate the status of the progress of the project to the Government from time to time and bring the issues for resolution at the government end, if any, for smooth execution of the project.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

N YUVARAJ
SECRETARY TO GOVERNMENT & CIP

To
The Vice Chairman & Managing Director, APIIC Ltd., Mangalagiri.
The Director of Industries, A.P., Mangalagiri.
The M/s. Tata Consultancy Services (TCS).
The Special CS/Principal Secretary/Secretary of the concerned department
viz,
The Revenue (Land, Registration and Stamps) Department,
The Finance Department,
The PR&RD Department,
The MA&UD Department,
The EFS&T Department,
The Energy Department,

The Water Resource Department,
The Roads and Buildings Department,
The Skill Development Department,
The Infrastructure and Investment Department,
The Industry and Commerce (CIP) Department,
The Industry and Commerce (Mines) Department and other Departments concerned
The Collector & District Magistrate, Tirupati District., Tirupati.
Copy to:
The Finance (FMU-I&I, Energy and I&C) Department.
The Revenue (CT) Department.
The Law (H) Department
The Accountant General, Andhra Pradesh.
The Commissioner of Taxes.
The P.S. to Secretary to Chief Minister.
The P.S. to Hon'ble Minister (Ind. &Comm. Food Processing).
The P.S. to Chief Secretary to Government of Andhra Pradesh.
The P.S. to Secretary to Government & CIP, Industries& Commerce Department.
The G.A. (Cabinet.I) Department.
SC/SF.

//FORWARDED::BY ORDER//

SECTION OFFICER

Annexure on the concessions and incentives extended to M/s TCS

1	SEZ denotification for Millenium Tower A & B, IT Hill No 3, Vizag (as per regular procedure)
2	Rental payment of INR 29.75 on the built-up area & CAM of INR 7 per sqft per month.
3	Rent & CAM escalation @12% every 36 months
4	• Tenure of 10 years extendable by 5 more years • 3-year lock-in period • Leasing on warm shell basis& Base build and Fit-out scope as per TCS standards. • Initial 6 months rent-free period for interior works completion
5	Waiver of security deposits
6	Cost incurred towards base build work executed by TCS on behalf of the Lessor will be recovered from rental. • Against the approximate estimate for upgrading infrastructure as per latest IT standards of ~INR 24 Cr, APIIC will bear the cost of ~INR 8 Cr for upgrading basic infrastructure as per TCS standards and the TCS has agreed to support base build cost of ~INR 16 Cr upfront and deduct it from monthly rental in equated installments over a period of 3 years o 80% of amount (as per mutually agreed estimate of the works to be done by M/s TCS and as verified after completion of the works as per the agreed specifications), will be adjusted in the rental through equated installments over the lock-in period. o Remaining 20% will be paid to TCS by end of the lock-in period

N YUVARAJ
SECRETARY TO GOVERNMENT & CIP